

WASHINGTON (March 24) – Congressman Spencer Bachus (AL-6), Ranking Member on the House Financial Services Committee, today urged Treasury Secretary Timothy Geithner and the Democrat majority to act quickly on a meaningful plan to phase out taxpayer support for Fannie Mae and Freddie Mac and restore long-term stability and private capital to the housing finance market.□

[Click here](#) to view Congressman Bachus interview on CNBC

[Click here](#) to view Congressman Bachus' opening statement at committee hearing

“The collapse of the GSEs in the summer of 2008 helped precipitate the financial meltdown that followed in September. Attempting to prevent another destabilizing financial shock without recognizing and addressing the GSEs is a failure to come to grips with reality,” Bachus said in advance of a Financial Services Committee hearing on the future of housing finance with Geithner as the main witness. “The Administration and committee Democrats are paying lip service while Republicans have offered concrete proposals for restructuring how we will address housing finance in the future and avoid the bottomless bailout of the GSEs.”

Last week, Bachus and other Committee Republicans were joined by Republican Leader John Boehner and Republican Whip Eric Cantor in releasing a set of principles they believe should be part of immediate legislative efforts to address the future of the two Government Sponsored Enterprises (GSEs), including phasing out the operations of Fannie Mae and Freddie Mac within four years in an effort to restore long-term stability and private capital to the housing finance market.

Financial Services Committee Republican-sponsored legislation includes:

- Comprehensive financial regulatory reform legislation (H.R. 3310) introduced by **Ranking Member Bachus** and committee Republicans to phase out taxpayer subsidies of Fannie Mae and Freddie Mac over a number of years and end the current model of privatized profits and socialized losses.
- A bill (H.R. 4476) introduced by **Ranking Member Bachus** to limit the compensation of

Fannie Mae and Freddie Mac executives to the rates of pay for Executive and Senior level employees of the United States Government.

- Two bills (H.R. 4450 and H.R. 4581) sponsored by **Rep. Judy Biggert**, the Ranking Member of the Oversight and Investigations Subcommittee, to establish an Independent Inspector General within the Federal Housing Finance Agency, the GSEs' regulator, and to require regular reports to Congress outlining taxpayer liabilities, investment decisions, and management details of Fannie Mae and Freddie Mac.
- A bill (H.R. 4889) introduced by **Rep. Jeb Hensarling**, the Ranking Member of the Financial Institutions Subcommittee, to end the government conservatorship of Fannie Mae and Freddie Mac, and phase out taxpayer support; and
- Two bills (H.R. 2896 and H.R. 4653) introduced by **Rep. Scott Garrett**, the Ranking Member of the Capital Markets, Insurance and Government Sponsored Enterprises Subcommittee, to facilitate a robust covered bonds market in the U.S. and to put the two GSEs on budget.

Click [here](#) to view the full list of the Republican goals and principles and [here](#) to view the Republican regulatory reform plan.